

## **FISCAL NOTE**

### **HB 650 - SB 860**

March 17, 2005

**SUMMARY OF BILL:** Increases from 5,000 to 10,000 the minimum number of children participating in community-based early childhood education and pre-kindergarten programs.

### **ESTIMATED FISCAL IMPACT:**


**Other Fiscal Impact – Increases the expenditure of lottery proceeds for scholarships and grants by \$25,000,000.**

#### Assumptions:

- The cost of the expanded early childhood education and pre-kindergarten program would be approximately the same, per child served, as is the existing pilot program. Current cost per child is \$5,000.
- To expand the Department of Education's ability to monitor and provide assistance to the expanded program, the state's share of the \$5,000 per child would increase from 2% to approximately 4% or \$198/child.
- The total annual recurring additional expense is estimated to be \$25,000,000. (5,000 additional children x \$5,000 = \$25,000,000).
- Of the \$25,000,000, \$24,010,000 would go directly to the early childhood and pre-kindergarten providers. \$990,000 would go to the Department of Education for administrative oversight (1 Educational Consultant - \$60,000, two clerical staff (\$60,000), 10 Monitors, including travel - \$650,000, training and technical assistance - \$200,000, and supplies - \$20,000).
- Assumes there would be no fiscal impact to local governments since the bill requires funding to be provided from lottery proceeds.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director